Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)
NEPSK, Inc. d/b/a Houlton Cable TV) File No. EB-02-TS-569
Operator of Cable System in:)
Houlton, Maine)
Request for Waiver of Section 11.11(a) of the Commission's Rules)))

ORDER

Adopted: July 1, 2003 Released: July 11, 2003

By the Chief, Technical and Public Safety Division, Enforcement Bureau:

- 1. In this *Order*, we grant NEPSK Inc. d/b/a Houlton Cable TV ("Houlton Cable") a temporary, 12-month waiver of Section 11.11(a) of the Commission's Rules ("Rules") for above-captioned cable television system. Section 11.11(a) requires cable systems serving fewer than 5,000 subscribers from a headend to either provide national level Emergency Alert System ("EAS") messages on all programmed channels or install EAS equipment and provide a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel by October 1, 2002.
- 2. The Cable Act of 1992 added new Section 624(g) to the Communications Act of 1934 ("Act"), which requires that cable systems be capable of providing EAS alerts to their subscribers.² In 1994, the Commission adopted rules requiring cable systems to participate in EAS.³ In 1997, the Commission amended the EAS rules to provide financial relief for small cable systems.⁴ The

¹ 47 C.F.R. § 11.11(a).

² Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, § 16(b), 106 Stat. 1460, 1490 (1992). Section 624(g) provides that "each cable operator shall comply with such standards as the Commission shall prescribe to ensure that viewers of video programming on cable systems are afforded the same emergency information as is afforded by the emergency broadcasting system pursuant to Commission regulations" 47 U.S.C. § 544(g).

³ Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Report and Order and Further Notice of Proposed Rule Making, FO Docket Nos. 91-171/91-301, 10 FCC Rcd 1786 (1994) ("First Report and Order"), reconsideration granted in part, denied in part, 10 FCC Rcd 11494 (1995).

⁴ Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Second Report and Order, FO Docket Nos. 91-171/91-301, 12 FCC Rcd 15503 (1997) ("Second Report and Order").

Commission declined to exempt small cable systems from the EAS requirements, concluding that such an exemption would be inconsistent with the statutory mandate of Section 624(g).⁵ However, the Commission extended the deadline for cable systems serving fewer than 10,000 subscribers to begin complying with the EAS rules to October 1, 2002, and provided cable systems serving fewer than 5,000 subscribers the option of either providing national level EAS messages on all programmed channels or installing EAS equipment and providing a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel.⁶ In addition, the Commission stated that it would grant waivers of the EAS rules to small cable systems on a case-by-case basis upon a showing of financial hardship.⁷ The Commission indicated that waiver requests must contain at least the following information: (1) justification for the waiver, with reference to the particular rule sections for which a waiver is sought; (2) information about the financial status of the requesting entity, such as a balance sheet and income statement for the two previous years (audited, if possible); (3) the number of other entities that serve the requesting entity's coverage area and that have or are expected to install EAS equipment; and (4) the likelihood (such as proximity or frequency) of hazardous risks to the requesting entity's audience.⁸

- 3. Houlton Cable filed a supplemental request for a temporary, 12-month waiver of Section 11.11(a) for the captioned cable system on September 26, 2002. In support of its waiver request, Houlton Cable states that it did not seek a waiver for its 1,824 subscriber Houlton, Maine system in its May 24, 2002 waiver request because it was attempting to fund a system upgrade, which included the installation of EAS equipment. Houlton Cable asserts that it was not able to fund the upgrade on schedule due to costly litigation over its renewal franchise proposal with the Town of Houlton. In this regard, Houlton Cable states that it resumed negotiations with the Town of Houlton and anticipates that its franchise could be renewed in October 2002. Houlton Cable asserts that it is not technically possible to install the new EAS equipment before installing the new upgrade equipment. In addition, Houlton Cable submits that its subscribers will continue to have ready access to national EAS information from other sources, including its cable systems. In this regard, Houlton Cable notes that its subscribers currently have access to national EAS messages on at least 18 programmed channels. Houlton Cable also asserts that its subscribers will have access to EAS information through over-the-air reception of broadcast television and radio stations and other sources. Finally, Houlton Cable believes that it can install the equipment upgrades and EAS equipment within the next year.
- 4. Based upon our review of the financial data and other information submitted by Houlton Cable, we conclude that a temporary, 12-month waiver of Section 11.11(a) is warranted.⁹

⁵ *Id.* at 15512-13.

⁶ *Id.* at 15516-15518.

⁷ *Id.* at 15513.

⁸ *Id.* at 15513, n. 59.

⁹ The waiver will extend from October 1, 2002, until October 1, 2003. We clarify that the waiver we are granting also encompasses the EAS testing and monitoring requirements.

- 5. Accordingly, **IT IS ORDERED** that, pursuant to Sections 0.111, 0.204(b) and 0.311 of the Rules, ¹⁰ NEPSK, Inc. d/b/a Houlton Cable TV **IS GRANTED** a waiver of Section 11.11(a) of the Rules until October 1, 2003.
- 6. **IT IS FURTHER ORDERED** that NEPSK, Inc. d/b/a Houlton Cable TV place a copy of this waiver in its system file.
- 7. **IT IS FURTHER ORDERED** that a copy of this *Order* shall be sent by Certified Mail Return Receipt Requested to counsel for NEPSK, Inc. d/b/a Houlton Cable TV, Christopher C. Cinnamon, Esq., Cinnamon Mueller, 307 North Michigan Avenue, Suite 1020, Chicago, Illinois 60601.

FEDERAL COMMUNICATIONS COMMISSION

Joseph P. Casey Chief, Technical and Public Safety Division Enforcement Bureau

_

¹⁰ 47 C.F.R. §§ 0.111, 0.204(b) and 0.311.